

Iowa will receive additional \$12.5 million, more than 46 other states

Washington, DC – Rep. Bruce Braley announced today the Center for Medicare and Medicaid Studies (CMS) handed down a rule delivering new Medicare payments for Iowa hospitals. The funding was secured by Braley with Speaker Nancy Pelosi and Obama Administration officials during late night negotiations before the final health care vote. Under the rule announced today, Iowa hospitals will receive \$12.5 million in additional Medicare reimbursements, or 8.3 percent of the available funds. Only New York and Virginia will receive more money as part of these negotiations.

“The announcement of these funds is a big step in the right direction to finally rewarding Iowa’s doctors for the care they provide,” Braley said. “For decades, Iowa’s doctors have been punished for no reason other than geography. The new CMS rule announced today is the first step toward ending harmful geographic disparities and reforming our Medicare system so it finally rewards quality of care instead of the quantity of procedures performed. We still have a lot of work to do and I look forward to working closely with Secretary Sebelius to ensure we fully implement all the provisions she guaranteed during the late-night health care negotiations.”

Braley negotiated a compromise adding language to the health care reform bill that provides an immediate \$800 million to address geographic disparities for **both doctors and hospitals**, as well as written guarantees from Health and Human Services Secretary Kathleen Sebelius for further action to reform Medicare reimbursement rates that do not qualify for reconciliation under the Byrd Rule. The Senate bill previously only provided a Medicare reimbursement fix for doctors.

The House reconciliation package maintained automatic implementation of a value index as part of the reimbursement structures for doctors, beginning in 2015. This language was secured in the Senate bill with the help of Harkin and is based on Braley’s *Medicare Payment Improvement Act*, introduced in June 2009. Under the fixes secured in the Senate bill and House reconciliation package, Iowa doctors will see five percent increases in current Medicare reimbursement rates in both 2010 and 2011.